GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:150
ANSWERED ON:25.04.2016
Cheap Steel Import
Adsul Shri Anandrao ;Karandlaje Km. Shobha;Kaswan Shri Rahul;Muddahanumegowda Shri S.P.;P. Shri Nagarajan;Pathak Smt. Riti;Pradhan Shri Nagendra Kumar;Raut Shri Vinayak Bhaurao

Will the Minister of STEEL be pleased to state:

(a) whether the Government proposes to impose new steel import duty in view of cheap steel import from China;

(b) if so, the details thereof including the extent to which the domestic steel manufacturers are likely be benefied therefrom; and

(c) the other steps taken/proposed to be taken by the Government to encourage and safeguard the interest of the domestic steel manufacturers?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF (SHRI VISHNU DEO SAI)
STEEL AND MINES

(a)&(b): There is no proposal to impose new steel import duty, at present.

(c) In order to protect the interests of country's steel industry, the Government has taken the following steps :

(i) To ensure that only quality steel is produced or imported, Government has notified Steel & Steel Products (Quality Control) Orders, 2012 dated 12.03.2012 and Steel & Steel Products (Quality Control) Orders, 2015 dated 15.12.2015.

(ii) To increase availability of Coal and Iron ore for the domestic steel industry:-

(a) Notified the Coal Mines (Special Provisions) Amendment Act, 2015 on 30.03.2015 to streamline coal block allocations.

(b) Notified the Mines and Minerals (Development and Regulation) Amendment Act, 2015 on 27.03.2015 to streamline grant of Mining Leases.

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(iii) The Union Budget 2015-16 had raised peak rate of basic customs duty on both flat and non-flat steel to 15% from 10%.

(iv) Hiked import duty on ingots & billets, alloy steel (flat & long), stainless steel (long) and non-alloy long products from 5 % to 7.5% and non-alloy and other alloy flat products from 7.5% to 10%. This was further revised in August, 2015 on flat steel from 10% to 12.5%, long steel from 7.5% to 10% and semi- finished steel from 7.5% to 10%.

(v) In November 2014, the import of rebars was ensured strictly as per Steel Product Quality Control Order 2012, to block influx of cheap imports of boron added rebars.

(vi) In June, 2015, an Anti-Dumping Duty for five years on imports of certain variety of hot-rolled flat products of stainless steel from China ($ 309 per tonne), Korea ($ 180 per tonne) and Malaysia ($ 316 per tonne).

(vii) Imposed, Safeguard Duty of 20% in March 2016 on hot-rolled flat products of non-alloy and other alloy steel, in coils of width of 600 mm or more.

(viii) Imposed, vide its notification dated 05.02.2016, the Minimum Import Price (MIP) condition on 173 steel products. Imports of items covered under this notification will not be allowed into the country below the notified price.

(ix) For reducing the stress in steel sector, RBI has extended 5:25 scheme in July 2015, whereby longer amortization period for loans to projects in infrastructure and core industries sectors, say 25 years, based on the economic life or concession period of the project, with periodic re-financing, say every 5 years, is allowed.

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